GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5208
ANSWERED ON:29.04.2005
IMPORT OF COTTON
Gandhi Shri Pradeep

Will the Minister of TEXTILES be pleased to state:

(a) whether cotton is being imported by the Government on large scale;

(b) if so, the details thereof;

(c) the price of the imported cotton in Indian market in comparison to the Indian cotton; and

(d) the reasons for import of cotton?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) & (b) Government of India does not import cotton. However, to enable the user textiles mills to procure raw material of desired quality parameters at a competitive price, import of cotton is free, subject to the payment of customs duty (presently 10%). Import of cotton is likely to decrease from 7.21 lakh bales in last cotton year (October 2003-September 04) to 6 lakh bales during the current cotton year (October 2004-September 05).

(c) Average domestic cotton price and average landed price of imported cotton of equivalent variety is given in the following table.

In Rupees Per Candy For Mills In South / Central India

Indian Variety Average Domestic Price	Foreign Equivalent Variety Average Landed Price Of Import At Mill Premises
J-34 (HARYANA) 17,308	PAK ALAKA 18,609
H-4 (MP) 17,528	NIGERIAN-WANAC 19,364
S-6 18,672	TURKEY
VILMA-D 20,306	

Note: The comparison of India / Foreign varieties is only indicative.

(d) Import of cotton depends upon a number of factors such as demand, supply, price, quality etc. in both domestic as well as international markets. Varietal imbalance in demand and supply of extra long staple cotton, import under Advance Licencing Scheme and under buy-back arrangement are also contributing factors for import of cotton into India.